

27-10-2008

BILL WILSON CENTER
(a California non-profit organization)
AUDITED FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2008

DATE RECEIVED:



AUDIT REVIEW #(s) 04315

Assigned To: Moun+

Date Reviewed: 12/5/08

Reviewer's Initials: (Deena)

Date Review(s) Completed: 12/5/08

BILL WILSON CENTER
AUDITED FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2008

TABLE OF CONTENTS

	<u>Page</u>
Auditor's Report	2
Statements of Financial Position	3
Statement of Activities	4
Statement of Functional Expenses	5 – 6
Statements of Cash Flows	7
Notes to Financial Statements	8 – 16
Schedule of Expenditures of Federal Awards	17
Report on Compliance and Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards	18
Report on Compliance with Requirements Applicable to Each Major Program and on Internal Control over Compliance in Accordance with OMB Circular A-133	19
Schedule of Findings and Questioned Costs	20
Supplementary Information Required by the California Office of Emergency Services	21 – 23
Supplementary Information Required by the California Department of Social Services	24 – 29

16360 Monterey Rd., Suite 170
Morgan Hill, CA 95037
Tel: (408) 779-3313
Fax: (408) 776-1555

4040 Moorpark Ave., Suite 100
San Jose., Ca 95117
Tel: (408) 557-9890
Fax: (408) 557-9893

INDEPENDENT AUDITOR'S REPORT

Board of Directors
Bill Wilson Center
Santa Clara, California

We have audited the accompanying statements of financial position of Bill Wilson Center (a California non-profit organization) as of June 30, 2008 and June 30, 2007, the related statements of cash flows for the years then ended, and the related statements of activities, and functional expenses for the year ended June 30, 2008. These financial statements are the responsibility of Bill Wilson Center's management. Our responsibility is to express an opinion on these financial statements based on our audits. The prior year summarized comparative information has been derived from the organization's June 30, 2007 financial statements and, in our report dated September 20, 2007, we expressed an unqualified opinion on those financial statements.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Bill Wilson Center as of June 30, 2008 and June 30, 2007, the changes in its cash flows for the fiscal years then ended, and the changes in its net assets for the fiscal year ended June 30, 2008 in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued a report dated September 16, 2008 on our consideration of Bill Wilson Center's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audits.

Our audits were made for the purpose of forming an opinion on the basic financial statements of Bill Wilson Center taken as a whole. The accompanying schedule of expenditures of federal awards, Office of Emergency Services ("OES") supplementary information, and California Department of Social Services ("CDSS") supplementary information - Forms SR 3, SR 4, and FCR 12FFA, for the year ended June 30, 2008, are presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, OES, and CDSS, and are not a required part of the basic financial statements. Such information has been subjected to the procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

NICHOLS, RICK & COMPANY

Nichols, Rick & Company, CPA's
San Jose, California
September 16, 2008

BILL WILSON CENTER
Statements of Financial Position
As of June 30, 2008 and June 30, 2007

	2008	2007
<u>ASSETS</u>		
Assets:		
Cash	\$ 534,696	\$ 385,895
Investments	721,374	933,382
Accounts receivable	47,862	354
Grants receivable, net	1,201,614	1,262,704
Unconditional promises to give:		
Pledges receivable, net	97,808	227,045
United Way funding	62,500	50,000
Prepaid expenses	148,434	144,015
Total current assets	2,814,288	3,003,395
Unconditional promises to give:		
Pledges receivable, net	144,263	99,419
Deposits	83,665	21,760
Fixed assets, net	7,192,956	7,147,268
TOTAL ASSETS	<u>\$ 10,235,172</u>	<u>\$ 10,271,842</u>
<u>LIABILITIES & NET ASSETS</u>		
Liabilities:		
Accounts payable	\$ 315,669	\$ 472,476
Accrued compensation	580,507	411,946
Grants payable	150,000	-
Deposits	118,500	69,130
Deferred revenue	12,075	12,251
Lease payable, current portion	3,321	-
Total current liabilities	1,180,072	965,803
Lease payable, non-current portion	4,980	-
Total liabilities	1,185,052	965,803
Net assets:		
Unrestricted	2,131,596	2,258,815
Unrestricted, board designated	100,000	100,000
Temporarily restricted	967,777	1,116,459
Permanently restricted	5,850,747	5,830,765
Total net assets	9,050,120	9,306,039
TOTAL LIABILITIES & NET ASSETS	<u>\$ 10,235,172</u>	<u>\$ 10,271,842</u>

BILL WILSON CENTER
Statement of Activities
For the year ended June 30, 2008
with comparative totals for the year ended June 30, 2007

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>June 30, 2008 Totals</u>	<u>Comparative totals for the year ended June 30, 2007</u>
SUPPORT & REVENUE					
Support received directly					
Contributions	\$ 122,682	\$ 5,577		\$ 128,259	\$ 125,856
Contributions in-kind	281,501			281,501	243,025
Special events, net	235,285			235,285	126,596
Foundations and corporations	343,399	111,616		455,015	456,053
Support received indirectly					
United Way	24,204	50,000		74,204	80,222
Total Support	1,007,071	167,193		1,174,264	1,031,752
Revenue					
Government grants & fees	8,395,528			8,395,528	8,013,698
Interest, dividend, & capital gain income	54,200			54,200	53,238
Net realized & unrealized					
(loss) gain on investments	(79,825)			(79,825)	77,135
Fees for services	201,893			201,893	187,907
Rental income	140,610			140,610	75,791
Miscellaneous income	23,032			23,032	18,483
Total Revenue	8,735,438			8,735,438	8,426,252
Net assets (released from) added to restrictions	295,893	(315,875)	19,982		
TOTAL SUPPORT & REVENUE	10,038,402	(148,682)	19,982	9,909,702	9,458,004
EXPENSES					
Program Services					
Mental Health Services	890,198			890,198	61,269
Residential Services	2,043,510			2,043,510	2,235,282
Future Families	1,733,813			1,733,813	-
Youth Services	657,201			657,201	653,813
Family Services	474,853			474,853	604,473
Transitional Housing	1,453,281			1,453,281	1,242,457
Drop-In Center	698,667			698,667	544,636
Centre for Living with Dying	355,025			355,025	246,871
Total Program Services	8,306,548			8,306,548	5,588,801
Support Services					
Management & General	1,421,369			1,421,369	877,315
Fund Development	426,790			426,790	277,163
Total Support Services	1,848,159			1,848,159	1,154,478
TOTAL EXPENSES	10,154,707			10,154,707	6,743,279
Change in net assets from operations	(116,305)	(148,682)	19,982	(245,005)	2,714,725
Decrease in net assets from merger	(10,914)			(10,914)	
Net assets at beginning of year	2,358,815	1,116,459	5,830,765	9,306,039	6,591,314
Net assets at end of year	\$ 2,231,596	\$ 967,777	\$ 5,850,747	\$ 9,050,120	\$ 9,306,039

BILL WILSON CENTER
Statement of Functional Expenses
For the year ended June 30, 2008
with comparative totals for the year ended June 30, 2007

PROGRAM SERVICES										Comparative totals for the year ended June 30, 2007
Mental Health Services	Residential Services	Future Families	Youth Services	Family Services	Transitional Housing	Drop-In Center	Centre for Living With Dying		June 30, 2008 Totals	
Salaries	\$ 492,465	\$ 1,243,997	\$ 743,441	\$ 318,115	\$ 180,212	\$ 472,495	\$ 358,159	\$ 161,500	\$ 3,970,384	\$ 2,833,440
Payroll taxes	40,776	103,004	61,557	26,340	14,921	39,123	29,656	13,372	328,749	229,493
Employee benefits	54,284	137,125	81,949	35,066	19,864	52,083	39,480	17,802	437,653	455,433
Total salaries & related expenses	587,525	1,484,126	886,947	379,521	214,997	563,701	427,295	192,674	4,736,786	3,518,366
Professional fees	67,165	43,940	54,095	27,961	202,899	7,163	4,455	55,275	462,953	303,964
Supplies	17,075	36,756	21,329	49,920	6,335	19,938	24,138	9,921	185,412	134,260
Equipment purchases	1,146	959	5,369	189	565	11,136	363	345	20,072	15,201
Telephone	6,830	28,000	20,404	11,226	6,794	13,201	7,084	3,949	97,488	72,819
Postage & shipping	1,318	2,921	2,543	866	754	1,205	802	1,380	11,789	7,494
Occupancy	2,456	15,515	113,651	8,035	21,065	398,893	5,383	74,515	639,513	377,533
Utilities	7,437	54,326		9,541	2,080	36,018	12,642		122,044	108,250
Equipment rent & maintenance	15,944	66,192	313	13,692	4,224	42,008	23,251	183	165,807	142,694
Printing & publications	4,701	6,737	4,093	3,223	3,476	3,545	4,100	6,418	36,293	31,898
Travel & transportation	3,926	17,612	22,738	5,773	605	9,271	8,281	259	68,465	44,266
Conference, conventions & meetings	479	652	1,302	578	2,046	45	315	1,824	7,241	4,616
Food & beverage		91,322	179	149		53,450	18,348		163,448	132,756
Specific assistance		81,658	18,049	131,874		117,957	135,191	2,150	486,879	353,860
Memberships, dues, & licenses	3,987	3,597	2,634	3,001	239			47	13,505	7,801
Payments to subrecipients						126,191	7,333		133,524	123,455
Foster family fees			516,368						516,368	
Insurance	11,326	55,987	24,684	7,621	2,496	27,950	9,310	2,281	141,655	79,834
Recruiting & training costs	2,294	6,394	18,583	1,022	926	1,936	3,815	2,051	37,021	28,186
Service charges	557	1,272	4,059	316	816	533	427	604	8,584	4,266
Bad debt expense	150,000	309							150,309	345
Total expenses before depreciation	884,166	1,998,275	1,717,340	654,508	470,317	1,434,141	692,533	353,876	8,205,156	5,491,864
Depreciation	6,032	45,235	16,473	2,693	4,536	19,140	6,134	1,149	101,392	96,937
TOTAL EXPENSES	\$ 890,198	\$ 2,043,510	\$ 1,733,813	\$ 657,201	\$ 474,853	\$ 1,453,281	\$ 698,667	\$ 355,025	\$ 8,306,548	\$ 5,588,801

BILL WILSON CENTER
Statement of Functional Expenses
For the year ended June 30, 2008
with comparative totals for the year ended June 30, 2007

					June 30, 2008	
	TOTAL PROGRAM SERVICES	SUPPORT SERVICES			PROGRAM & SUPPORT SERVICES TOTALS	Comparative totals for the year ended June 30, 2007
		Management & General	Fund Development	Totals		
Salaries	\$ 3,970,384	\$ 947,946	\$ 305,792	\$ 1,253,738	\$ 5,224,122	\$ 3,611,340
Payroll taxes	328,749	84,708	19,102	103,810	432,559	291,775
Employee benefits	437,653	105,445	32,753	138,198	575,851	595,455
Total salaries & related expenses	4,736,786	1,138,099	357,647	1,495,746	6,232,532	4,498,570
Professional fees	462,953	12,870	9,051	21,921	484,874	329,253
Supplies	185,412	12,536	6,700	19,236	204,648	142,061
Equipment purchases	20,072	3,817	3,252	7,069	27,141	16,422
Telephone	97,488	9,198	2,487	11,685	109,173	80,661
Postage & shipping	11,789	6,149	3,898	10,047	21,836	13,871
Occupancy	639,513	1,227	35	1,262	640,775	377,775
Utilities	122,044	24,070	1,852	25,922	147,966	116,725
Equipment rent & maintenance	165,807	49,152	5,614	54,766	220,573	162,129
Printing & publications	36,293	7,481	20,716	28,197	64,490	50,671
Travel & transportation	68,465	4,690	775	5,465	73,930	48,296
Conferences, conventions & meetings	7,241	3,736	675	4,411	11,652	7,133
Food & beverage	163,448	215	5,557	5,772	169,220	132,994
Specific assistance	486,879	600	150	750	487,629	353,860
Memberships, dues, & licenses	13,505	6,806	142	6,948	20,453	13,729
Payments to subrecipients	133,524				133,524	123,455
Foster family fees	516,368				516,368	
Insurance	141,655	27,679	703	28,382	170,037	92,719
Recruiting & training costs	37,021	11,766	604	12,370	49,391	40,185
Service charges	8,584	22,910	114	23,024	31,608	16,086
Bad debt expense	150,309				150,309	345
Total expenses before depreciation	8,205,156	1,343,001	419,972	1,762,973	9,968,129	6,616,940
Depreciation	101,392	78,368	6,818	85,186	186,578	126,339
TOTAL EXPENSES	\$ 8,306,548	\$ 1,421,369	\$ 426,790	\$ 1,848,159	\$ 10,154,707	\$ 6,743,279

BILL WILSON CENTER
Statements of Cash Flows
For the years ended June 30, 2008 and June 30, 2007

	2008	2007
Cash flows from operating activities:		
(Decrease) increase in net assets from operations	\$ (245,005)	\$ 2,714,725
Adjustments to reconcile (decrease) increase in net assets from operations to net cash provided (used) by operating activities:		
Depreciation	186,578	126,339
Net realized & unrealized loss (gain) on investments	79,825	(77,135)
Donated securities included in support	(10,261)	
Non-cash grant included in operating activities		(2,585,000)
Changes in assets & liabilities:		
(Increase) decrease in accounts receivable	(47,508)	189
Decrease (increase) in grants receivable	211,847	(451,090)
Decrease in unconditional promises to give	71,893	8,431
Decrease (increase) in prepaid expenses	6,284	(18,216)
Increase in deposits	(5,016)	
(Decrease) increase in accounts payable and accrued expenses	(141,719)	89,879
Increase (decrease) in grants payable	150,000	(22,834)
Increase in deposits held	18,575	
(Decrease) increase in deferred revenue	(176)	751
Net effect of merger	(6,069)	
Net cash provided (used) by operating activities	269,248	(213,961)
Cash flows from investing activities:		
Proceeds from sale of investments	271,188	237,732
Acquisition of investments	(128,742)	(291,896)
Acquisition of building, land, & equipment	(186,638)	(109,740)
Net cash used by investing activities	(44,192)	(163,904)
Cash flows from financing activities:		
Paydown of capitalized lease	(2,255)	
Paydown of line of credit assumed	(14,000)	
Paydown of note payable assumed	(60,000)	-
Net cash used by financing activities	(76,255)	-
Net increase (decrease) in cash	148,801	(377,865)
Cash, beginning of year	385,895	763,760
Cash, end of year	<u>\$ 534,696</u>	<u>\$ 385,895</u>

SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION

Cash paid during the year for:		
Interest	\$ 3,186	\$ -
Income taxes	\$ -	\$ -
Net cost basis of assets disposed of	\$ 27,865	\$ 10,592
Building and land acquired with grant funds	\$ -	\$ 2,585,000
Merger with Future Families, Inc. - assumption of:		
Grants receivable	\$ 150,757	
Deposits and prepaids	67,592	
Fixed assets, net of accumulated depreciation of \$ 61,720	45,630	
Accounts payable and accrued vacation	(153,473)	
Deposits held	(30,795)	
Capitalized lease, line of credit, and note payable	(84,556)	
Decrease in net assets	10,914	
Net effect of merger	<u>\$ (6,069)</u>	

BILL WILSON CENTER
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2008

Note 1. Nature of Organization and Summary of Significant Accounting Policies:

Organization: Bill Wilson Center (the "Center") was incorporated as a California non-profit organization on March 29, 1974, and provides services to the residents of Santa Clara County. The Center's mission is to support and strengthen the community by serving youth and families through counseling, housing, education, and advocacy. Bill Wilson Center emphasizes the importance of collaborative program development and service delivery.

Merger Activity: Effective August 12, 2007, Bill Wilson Center acquired the assets and liabilities ("merger") of Future Families, Inc., a non-profit organization providing foster care, adoption, and respite care to meet the needs of children and families. The net effect of this merger, \$10,914, is shown as a decrease in net assets from merger on the Statement of Activities.

Program Summaries: The Center operates programs in eight distinct areas as follows:

Mental Health Services

Mental Health Services are provided for Medi-Cal eligible children and youth and include therapy and psychiatric services.

Residential Services

Runaway and Homeless Youth Residential Program offers short-term housing to youth (ages 11 - 17), as well as intensive individual, group and family counseling.

Quetzal House is a six-bed, short-term group home for girls, ages 13 – 17, who are chronic runaways from the foster care system.

Transitional Housing Placement Program provides transitional housing and independent living skills training for youth, including parenting youth, who are in the foster care system.

Future Families

Foster Family and Adoption ensures that children who have been placed in foster care will be matched with a family that is willing and able to care for them. Includes emergency placement, foster to adopt, long-term foster care, and intensive therapeutic foster care.

Case Aide Program matches trained volunteers with children in foster care who need services such as tutoring, mentoring, transportation, supervised visits.

Therapeutic Counseling for children and youth who have experienced abuse and neglect includes attachment, parent child interaction, trauma-focused cognitive behavioral, and social learning therapies.

Youth Services

Independent Living Skills Program teaches youth in foster care the skills they need to become self-sufficient.

Restorative Justice Program provides first time offenders an alternative to incarceration and/or citation by the local police and/or probation department.

Safe Place provides youth with access to services or safety. Safe Place Community Outreach provides leadership skills to youth.

Youth Revolution brings high-risk youth together for one week of workshops to learn life skills, to encourage education, and to build self-motivation and hope.

Family Services

Contact Cares provides objective listening, caring involvement, and information and referrals on 24-hour crisis lines.

Family and Individual Counseling provides low-cost, professional counseling services to families and individuals of all ages.

School Outreach Counseling Program provides counseling services to students in the middle and high schools of Santa Clara Unified School District.

BILL WILSON CENTER
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2008

Note 1. Nature of Organization and Summary of Significant Accounting Policies: (continued)

Transitional Housing

Transitional Housing Program provides housing and support services for homeless youth ages 16 – 24, including parenting youth and their infants/toddlers.

THP+ provides rent subsidies and support services for youth who have aged out of foster care.

Drop-In Center

Drop-In Center for homeless youth provides basic necessities as well as counseling, job readiness, housing assistance, HIV prevention, and links to other community services with the goal of helping youth exit the streets.

Centre for Living with Dying

Centre for Living With Dying provides emotional support to adults and children facing life-threatening illness or the trauma of having a loved one die.

Healing Heart program is designed for children and youth who have experienced the loss of a loved one.

CISM provides training and support for first responders.

Funding for the Center during the fiscal years ended June 30, 2008 and June 30, 2007 was provided by client fees, contributions, grants from federal, state and local government agencies, and allocations from the United Way of Silicon Valley.

Basis of Presentation: The Center is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. In addition, the Center is required to present a statement of cash flows.

Contributions: Contributions are recorded as unrestricted, temporarily restricted, or permanently restricted support depending on the existence or nature of any donor restrictions. In addition, pledges and unconditional promises to give are reported as temporarily restricted support upon date of notification and are then released from restrictions upon satisfaction of the time or use requirement. If a restriction is fulfilled in the same time period in which the contribution is received, the Center reports the support as unrestricted.

Investments: Investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair values in the statements of financial position. Unrealized gains and losses are included in the change in unrestricted net assets.

Cash and Cash Equivalents: For purposes of the statements of cash flows, the Center considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents. The carrying amounts reported in the statements of financial position approximate fair values because of the short maturities of these instruments.

Income Taxes: The Center is exempt from Federal income taxes under Internal Revenue Code Section 501(c)(3), from California income taxes under Section 23701(d) of the California Bank and Corporation Tax Law, and has been determined to be an organization that is not a private foundation.

Donations: All donations are considered to be available for unrestricted use unless specifically restricted by the donor. Donated materials and equipment are reflected as contributions in the accompanying statements at their estimated fair market value at date of notification. Donated services, valued at \$281,501 and \$243,025, for the years ended June 30, 2008 and June 30, 2007, were contributed by specially trained interns involved in the adult and family services and children and youth development programs.

**BILL WILSON CENTER
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2008**

Note 1. Nature of Organization and Summary of Significant Accounting Policies: (continued)

Special Events: Special events are reported net of expenses of \$68,781 and \$35,467, for the years ended June 30, 2008 and June 30, 2007, respectively.

Depreciation: Fixed assets are reported at cost, or donated value, and are depreciated using the straight-line method over the estimated useful life of the asset, ranging from five to forty years. The Center's policy is to capitalize expenditures of this nature equal to or in excess of \$500. Additions to fixed assets for the years ended June 30, 2008 and June 30, 2007 totaled \$186,638 and \$2,694,740, respectively. In addition, for the years ended June 30, 2008 and June 30, 2007, \$27,141 and \$16,422, respectively, of equipment and renovation costs purchased with grant funds, normally capitalized, has been expensed due to the grantor retaining a reversionary interest in title. At June 30, 2008 and June 30, 2007, the cost and related accumulated depreciation for such assets is as follows:

	2008	2007
Land	\$ 2,366,549	\$ 2,366,549
Buildings & improvements	5,845,885	5,822,973
Vehicles	167,303	142,079
Furniture & equipment	331,594	237,661
Construction in progress	185,398	61,345
	<u>8,896,729</u>	<u>8,630,607</u>
Less:		
Accumulated Depreciation	1,703,773	1,483,339
TOTAL	<u>\$ 7,192,956</u>	<u>\$ 7,147,268</u>

Depreciation expense charged for the years ended June 30, 2008 and June 30, 2007 was \$186,578 and \$126,339, respectively.

Indirect Expense Allocations: The Center has in place a cost allocation plan employed to allocate indirect expenses to each program on a basis proportionate to the direct staff time or other cost driver used for each program.

Comparative Information: The financial statements include certain prior year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Center's financial statements for the year ended June 30, 2007, from which the summarized information was obtained.

Reclassifications: Certain accounts in the prior year financial statements have been reclassified for comparative purposes to conform to the presentation in the current year financial statements.

Estimates: The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Advertising: The Center's policy is to expense advertising costs to operations as incurred. The Center incurred \$10,392 and \$12,499 in advertising costs for the years ended June 30, 2008 and June 30, 2007, respectively.

BILL WILSON CENTER
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2008

Note 2. Compensated Absences and Vacations:

Full-time employees accrue 20 days of paid time off (PTO) during the first two years of employment, 25 PTO days during years three and four, and 30 PTO days during the fifth and subsequent years of employment, up to a maximum accrual of 40 days. The PTO hours may be used for vacation, sick leave, holidays, family emergencies, religious observances, preventive health or dental care, and personal time. Upon termination, employees are compensated for unused PTO hours. Benefited part-time employees receive the PTO benefits on a prorated basis.

Note 3. Grants and Pledges Receivable:

The carrying amounts for grants receivable reported in the statements of financial position approximate fair values as all amounts are due within ninety days. The following amounts are reported as receivables as of June 30, 2008 and June 30, 2007:

	2008	2007
AFDC – FC	\$ 99,419	\$ 253,838
Foster Families	94,275	
Federal government	225,247	513,464
State of California	200,994	86,302
County of Santa Clara	570,799	432,041
City governments, other	51,076	25,802
Sub-total	1,241,810	1,311,447
Less: allowance	40,196	48,743
Grants receivable, net	<u>\$ 1,201,614</u>	<u>\$ 1,262,704</u>

For June 30, 2008, pledges receivable are reported at fair value net of an allowance of \$58,088 and unamortized discount of \$37,163, based on a risk-free interest rate of 5%. For June 30, 2007, pledges receivable are reported at fair value net of an allowance of \$53,821 and unamortized discount of \$30,290, based on a risk-free interest rate of 5%. Estimated annual collections on pledges receivable, net of discount, are as follows:

	2008	2007
Less than one year	\$ 97,808	\$ 227,045
One to five years	132,967	86,129
More than five years	11,296	13,290
Total	<u>\$ 242,071</u>	<u>\$ 326,464</u>

Note 4. Investments:

Investments are carried at fair market value, as based on quoted market prices for these or similar instruments. Donated investments are recorded at the estimated fair market value at the donation date. Marketable securities consist of the following at June 30, 2008 and June 30, 2007:

	2008		2007	
	Cost	Fair Market Value	Cost	Fair Market Value
<i>Unrestricted</i>				
Enterprise Funds – Fixed Income Securities	\$ 166,841	\$ 171,415	\$ 256,800	\$ 256,258
Enterprise Funds – Equity Securities	413,927	449,959	417,448	577,124
Sub-total – unrestricted	580,768	621,344	674,248	833,382
<i>Permanently restricted</i>				
Enterprise Funds – Fixed Income Securities	100,000	100,000	100,211	100,000
Total investments	<u>\$ 801,807</u>	<u>\$ 721,374</u>	<u>\$ 774,459</u>	<u>\$ 933,382</u>

Investment returns are reported gross of \$7,068 and \$6,832 of investment management fees for the years ended June 30, 2008 and June 30, 2007.

BILL WILSON CENTER
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2008

Note 5. Deferred Revenue:

Deferred revenue represents grant fundings received prior to year-end for a subsequent fiscal year. At June 30, 2008 and June 30, 2007, deferred revenue consists of:

	<u>2008</u>	<u>2007</u>
City of San Jose, Youth Home Services	<u>\$ 12,075</u>	<u>\$ 12,251</u>

Note 6. Notes Payable and Capital Lease:

Notes payable at June 30, 2008 and June 30, 2007 consisted of an unsecured credit line available up to \$100,000 from Comerica Bank, which bears interest at the bank's prime rate, and includes certain covenants the Center must maintain. As of June 30, 2008, the Center was not in compliance with these covenants. During the years ended June 30, 2008 and June 30, 2007, the Center did not access this credit line.

As part of the merger with Future Families, Inc. (note 1), the Center agreed to assume responsibility for secured line of credit available up to \$125,000 with Bridge Bank as well as a capital lease for office equipment scheduled to expire in December 2010. The equipment under this lease had a cost of \$17,277 and the accumulated depreciation as of June 30, 2008 was \$11,022. Future maturities of capital lease obligations as of June 30, 2008 were as follows:

<u>Year ending</u>	<u>Gross Lease Payments</u>	<u>Less: Amount Representing Interest</u>	<u>Principal Portion</u>
June 30, 2009	\$ 3,868	\$ 547	\$ 3,321
June 30, 2010	3,868	547	3,321
June 30, 2011	<u>1,934</u>	<u>275</u>	<u>1,659</u>
	<u>\$ 9,670</u>	<u>\$ 1,369</u>	<u>\$ 8,301</u>

Note 7. Rental Income:

The Center is the lessor of real property located in the County of Santa Clara, California. Rental income received under these leases for the years ended June 30, 2008 and June 30, 2007, totaled \$140,610 and \$72,791, respectively.

Note 8. Building - Grant Liens and Restrictions:

During the fiscal year ended June 30, 1994, the Center received the following grants for the acquisition and development of real property located at 3490 The Alameda in Santa Clara, CA:

A Community Development Block Grant (CDBG) of \$48,500 from the City of Sunnyvale. This amount is secured by a Trust Deed on the subject property, bears three percent simple interest, and neither the principal nor the accrued interest will become due if the Center continues to use the facility as a runaway and homeless youth shelter. As of June 30, 2008 and June 30, 2007, accrued interest on this obligation amounted to \$23,176 and \$21,721, with an annual accrual of \$1,455.

A grant of \$980,000 from the Redevelopment Agency of the City of Santa Clara. This amount is secured by a Trust Deed on the subject property, bears three percent simple interest, and neither the principal nor the accrued interest will become due if the Center continues to use the facility as a runaway and homeless youth shelter. As of June 30, 2008 and June 30, 2007, accrued interest on this obligation amounted to \$428,750 and \$399,350, with an annual accrual of \$29,400.

BILL WILSON CENTER
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2008

Note 8. Building - Grant Liens and Restrictions: (continued)

During the fiscal year ended June 30, 1997, the Center received the following grants for the acquisition of real property located at 1284 – 1294 Jackson Street in Santa Clara, CA:

A grant of \$375,000 from the Department of Housing and Urban Development. This amount is unsecured, bears no interest and will be considered paid in full if the Center continues to use the facility as a teenaged parent family shelter for a period of twenty years (until approximately November 2016), with the last ten years being prorated.

A grant of \$200,000 from the Department of Housing and Urban Development and a grant of \$200,000 from the Redevelopment Agency of Santa Clara, both passed through the City of Santa Clara. The City of Santa Clara has secured this amount by a Trust Deed on the subject property, bearing three percent simple interest, and neither the principal nor the accrued interest will become due if the Center continues to use the facility as a teenaged parent family shelter. As of June 30, 2008 and June 30, 2007, accrued interest on this obligation amounted to \$139,500 and \$127,500, with an annual accrual of \$12,000. The terms of the grants require the Center to maintain a \$50,000 reserve account for the maintenance and repair of the subject property.

A grant of \$50,000 from the Department of Housing and Urban Development, passed through the County of Santa Clara. This amount is unsecured, bears no interest and will be considered paid in full if the Center continues to use the facility as a teenaged parent family shelter for a period of fifteen years (until approximately November 2011).

During the fiscal year ended June 30, 1999, the Center received the following grants for the acquisition of real property located at 2120 Main Street in Santa Clara, CA:

A grant of \$77,743 from the Department of Housing and Urban Development and a grant of \$297,257 from the Redevelopment Agency of Santa Clara, both passed through the City of Santa Clara. The City of Santa Clara has secured this amount by a Trust Deed on the subject property, bearing three percent simple interest, and neither the principal nor the accrued interest will become due if the Center continues to use the facility as transitional housing for homeless teens. As of June 30, 2008 and June 30, 2007, accrued interest on this obligation amounted to \$107,813 and \$96,563, with an annual accrual of \$11,250. The terms of the grants require the Center to maintain a \$50,000 reserve account for the maintenance and repair of the subject property.

A grant of \$20,000 from the Department of Housing and Urban Development, passed through the County of Santa Clara. This amount is unsecured, bears no interest and will be considered paid in full if the Center continues to use the facility as transitional housing for homeless teens for a period of ten years (until approximately June 2009).

During the fiscal year ended June 30, 2002, the Center received the following grants:

A grant of \$75,000 from the Redevelopment Agency of the City of Santa Clara for seismic upgrade and related rehabilitation work at 1284 Jackson Street, Santa Clara, CA. This amount is secured by a Trust Deed on the subject property, bears no interest and will be considered paid in full if the Center continues to use the facility as a youth transitional housing project for a period of twenty years (until approximately November 2020).

BILL WILSON CENTER
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2008

Note 8. Building - Grant Liens and Restrictions (continued):

A grant of \$405,100 from the Department of Housing and Urban Development and a grant of \$244,900 from the Redevelopment Agency of Santa Clara, both passed through the City of Santa Clara for the acquisition of 3551 Shafer Drive, Santa Clara, CA. The City of Santa Clara has secured this amount by a Trust Deed on the subject property, bearing three percent simple interest, and will be considered paid in full if the Center continues to use the facility as a youth transitional housing project for a period of thirty years (until approximately June 2032). As of June 30, 2008 and June 30, 2007, accrued interest on this obligation amounted to \$126,750 and \$107,250, with an annual accrual of \$19,500. The terms of the grants require the Center to maintain a \$10,000 reserve account for the maintenance and repair of the subject property.

During the fiscal year ended June 30, 2007, the Center received the following grant for the acquisition of real property located at 3661 Peacock Court in Santa Clara, CA:

A grant of \$2,611,982 from the Redevelopment Agency of the City of Santa Clara. The Redevelopment Agency of the City of Santa Clara has secured this amount by a Trust Deed on the subject property, bearing three percent simple interest, and neither the principal nor the accrued interest will become due if the Center continues to use the facility as housing for low income youths at risk of homelessness. As of June 30, 2008 and June 30, 2007, accrued interest on this obligation amounted to \$90,475 and \$12,925, with an annual accrual of \$77,550. The terms of the grant requires the Center to maintain a reserve account for the maintenance and repair of the subject property equal or greater than 3% of gross rent received.

Since the Center does not expect to cease operations, the above amounts have been recorded as permanently restricted grants and not as mortgage loans requiring mandatory payback. For the same reason, interest is not being accrued on those grants that have an interest component. However, disposition of the properties prior to fulfillment of the use restrictions generates a mandatory payment of principal and, where applicable, of accrued interest.

Note 9. Lease Commitments:

The Center is obligated under various facility leases, expiring through December 31, 2012 and containing renewal clauses, for the rental of residential units, and an eight year lease, expiring June 30, 2012, for the rental of parking spaces adjoining one of its facilities. The total rental expense incurred under leases for the years ending June 30, 2008 and June 30, 2007 was \$637,089 and \$393,247, respectively. The terms of the parking space lease call for annual payments of \$12,600 and include 5 five-year renewal options. The future minimum commitments under these leases are as follows:

<u>Year ending</u>	<u>Amount</u>	<u>Year ending</u>	<u>Amount</u>
June 30, 2009	\$ 270,789	June 30, 2012	\$ 177,015
June 30, 2010	\$ 234,500	June 30, 2013	\$ 80,808
June 30, 2011	\$ 177,015		

The Center is also committed to five operating lease agreements for copiers in their facilities, with termination dates from September 2012 through May 2013. Monthly payments under these leases total \$1,549. For the years ended June 30, 2008 and June 30, 2007, total payments made pursuant to these leases were \$7,965 and \$7,238, respectively. The future annual minimum commitments under these leases are as follows:

<u>Year ending</u>	<u>Amount</u>	<u>Year ending</u>	<u>Amount</u>
June 30, 2009	\$ 18,589	June 30, 2012	\$ 18,589
June 30, 2010	\$ 18,589	June 30, 2013	\$ 11,764
June 30, 2011	\$ 18,589		

**BILL WILSON CENTER
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2008**

Note 10. Profit Sharing Plan:

On June 19, 1996, the Board of Directors approved a discretionary profit sharing plan with an effective date of July 1, 1995. The Plan is a defined contribution plan covering all employees of the Center who work more than 1,000 hours, have twelve months of service and are age eighteen or older. It is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

Each year, the Center may contribute to the Plan an amount determined at the Center's discretion. For the years ended June 30, 2008 and June 30, 2007, the Board of Directors approved a total contribution of \$0 and \$167,518, respectively, to this plan.

Each participant's account is credited with the Center's contributions, plan earnings, and forfeitures of terminated participants' non-vested accounts. Allocations are based on participant gross compensation. The benefit to which a participant is entitled is the benefit that can be provided from the participant's account. A participant is 100 percent vested after one year of credited service.

Upon termination of service, if a participant's vested balance is less than \$5,000, a lump-sum amount will be distributed. For vested balances greater than \$5,000, a participant may elect to receive either a lump-sum amount, or annual installments over a specified period of time, not exceeding a participant's life expectancy.

The plan was amended, with an effective date of July 1, 2004, to add an employee salary deferral provision and to change the vesting schedule to 50 percent after one year of service and 100 percent after two years of service.

Note 11. Concentration of Risk and Contingencies:

At times during the fiscal years ended June 30, 2008 and June 30, 2007, the Center maintained cash balances in excess of insured levels at financial institutions. In addition, approximately 35% to 40% of the Center's total revenue and support is derived from programs administered by the County of Santa Clara.

The Center, during the normal course of operating its business, may be subject to various lawsuits, licensing reviews, and government audits. Management believes that losses resulting from these matters, if any, would either be covered under the Center's insurance policy or is immeasurable. Management further believes the losses, if any, would not have a material effect on the financial position of the Center.

Note 12. Board Designated Funds:

The Board of Directors has designated a reserve of \$100,000 to fund major repairs of its wholly owned facilities.

Subsequent to June 30, 2008, the Board of Directors has expressed its intent to release this designation.

BILL WILSON CENTER
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2008

Note 13. Restricted Net Assets:

As of June 30, 2008 and June 30, 2007, the Center's restricted net assets consisted of the following:

	<u>2008</u>	<u>2007</u>
<u>Temporary restrictions</u>		
<i>Time restriction-</i>		
United Way – 2008/09 & 2007/08 fundings	\$ 50,000	\$ 50,000
<i>Use restriction-</i>		
Youth Housing Initiative		102,126
Supportive Housing		4,602
Youth Works	27,991	28,857
Job counselor	6,412	14,034
Centre for Living with Dying	98,089	49,658
Contact Cares	13,626	38,372
Accounting & bookkeeping salary augmentation	150,000	150,000
Reserve fund for facility operating costs at Shafer Dr	10,000	10,000
Independent Living Skills	35,882	41,158
Miscellaneous use restrictions	14,734	43,326
Pregnancy and HIV prevention		21,879
Enclave renovation	25,000	
Drop-in center	13,143	31,138
Fire repairs	48,610	48,610
Fixed assets secured by building liens (see note 8)	<u>474,290</u>	<u>482,789</u>
Total temporary restrictions	<u>\$ 967,777</u>	<u>\$ 1,116,459</u>
<u>Permanent restrictions</u>		
<i>Time restriction-endowment fund</i>	\$ 17,000	\$ 17,000
<i>Use restriction-</i>		
Reserve fund for facility operating costs	103,551	100,452
Fixed assets secured by building liens (see note 8)	<u>5,730,196</u>	<u>5,713,313</u>
Total permanent restrictions	<u>\$ 5,850,747</u>	<u>\$ 5,830,765</u>

Note 14. Net Assets Released from Restrictions:

Restricted net assets were decreased (increased) as a result of the following restriction releases and transfers during the years ended June 30, 2008 and June 30, 2007:

	<u>2008</u>	<u>2007</u>
<u>Temporary restrictions</u>		
<i>Time restriction-</i>		
United Way – 2007/08 & 2006/07 fundings	\$ 50,000	\$ 111,304
<i>Use restriction-</i>		
Fixed asset additions subject to restrictions		8,500
Depreciation on buildings and improvements	8,499	
Donor imposed uses satisfied	<u>257,376</u>	<u>223,421</u>
Total temporary restrictions released	<u>\$ 315,875</u>	<u>\$ 343,225</u>
<u>Permanent restrictions</u>		
<i>Use restriction-</i>		
Fixed asset additions subject to restrictions	\$ (147,844)	\$ (86,905)
Reserve fund addition	(3,099)	
Depreciation on buildings and improvements	<u>130,961</u>	<u>86,342</u>
Total permanent restrictions added	<u>\$ (19,982)</u>	<u>\$ (563)</u>

BILL WILSON CENTER
Schedule of Expenditures of Federal Awards
For the year ended June 30, 2008

Federal Grantor/ Pass-Through Grantor/ Program Title	Federal CFDA Number	Program or Award Amount	Receipts/ Revenue Recognized	Disbursements/ Expenditures Incurred
Major Programs				
Department of Housing and Urban Development:				
Emergency Shelter Grant, passed through City of San Jose, ESG-07-003	14.235	\$ 20,691	\$ 20,691	\$ 20,691
Emergency Shelter Grant, passed through City of San Jose, ESG-07-002	14.235	7,000	7,000	7,000
Supportive Housing, CA01B500014	14.235	298,645	139,068	139,068
Supportive Housing, CA01B700009	14.235	298,645	171,054	171,054
Transitional Housing, CA01B600015	14.235	548,476	233,812	233,812
Transitional Housing, CA01B700011	14.235	548,476	311,289	311,289
sub-total		1,721,933	882,914	882,914
Department of Health & Human Services:				
Passed through County of Santa Clara, Foster Care	93.658	248,378	248,378	248,378
Passed through County of Santa Clara, Foster Care Intensive Treatment	93.658	163,527	163,527	163,527
Passed through County of Santa Clara, AFDC and FC	93.658	291,906	291,906	291,906
sub-total		703,811	703,811	703,811
Total major federal financial assistance		2,425,744	1,586,725	1,586,725
Non-major Programs				
Federal Emergency Management Agency, passed through Santa Clara County local board, Emergency Food & Shelter, #088000-021, Phase 26	97.024	14,000	14,000	14,000
Department of Housing and Urban Development, Community Development Block Grants:				
Passed through City of Santa Clara, Family Therapy/School Outreach	14.218	64,126	64,126	64,126
Passed through City of San Jose, Runaway & Homeless Youth Shelter Services, #GPR A28	14.218	34,712	34,712	34,712
Passed through City of Santa Clara, Grief Support Services	14.218	4,513	4,513	4,513
Passed through City of Sunnyvale, Crisis Counseling, 0708-825920	14.218	13,318	13,318	13,318
Department of Justice,				
Passed through California Office of Emergency Services, Child Abuse, AT07011430	16.575	207,372	141,566	141,566
Department of Health & Human Services:				
Runaway & Homeless Youth, # 09CY5174/01	93.623	133,793	35,769	35,769
Runaway & Homeless Youth, # 09CY5110/07	93.623	160,000	103,370	103,370
Promoting Responsible Fatherhood, # 90FR0096/02	93.086	261,382	261,382	261,382
Street Outreach, # 09Y02088/01	93.557	100,000	23,487	23,487
Street Outreach, # 09CY02057/07	93.557	100,000	91,046	91,046
Passed through County of Santa Clara, Job Keeper 24/7 Hotline, #MCABWC06	93.558	2,500	2,500	2,500
Passed through County of Santa Clara, Independent Living Skills, #4300002745	93.674	202,000	201,999	201,999
Transitional Living Program, Award # 09CX5063/01	93.550	200,000	75,864	75,864
Transitional Living Program, Award # 09CX5053/01	93.550	200,000	38,071	38,071
Transitional Living Program, Award # 09CX5021/07	93.550	200,000	157,422	157,422
Total non-major federal financial assistance		1,897,716	1,263,145	1,263,145
Total federal financial assistance		4,323,460	2,849,870	2,849,870
State & local government assistance				
Aid to Families with Dependent Children and Foster Children, State portion		347,048	347,048	347,048
City of San Jose, Critical Incident Stress Management, #72796 (2.28e) EH076		26,250	26,250	26,250
City of San Jose, Project Safe Place, # GPR # EH022		49,342	49,342	49,342
City of San Jose, Best Cycle XIIIIV, Youth Home Services, Best Cycle XVII & XVI		72,450	71,300	71,300
Redevelopment Agency of the City of Santa Clara, Peacock Purchase and Rehabilitation		2,585,000	142,108	142,108
County of Santa Clara, Child Abuse Prevention & Intervention, # 4300002743		59,890	59,890	59,890
County of Santa Clara, Contact Cares 24/7 Hotline, # 4300002721		26,395	26,395	26,395
County of Santa Clara, Counseling, Mental Health Services		1,025,000	827,784	827,784
County of Santa Clara, Status Offender Services, # 4300002742		683,663	642,763	642,763
County of Santa Clara, Group Home Subsidy, # GHSBWC07		60,000	41,998	41,998
County of Santa Clara, HIV Prevention & Education, #BWC 063-074		69,000	69,000	69,000
County of Santa Clara, Drop-In Center Youth Works, # 4300002722		74,959	64,709	64,709
County of Santa Clara, HIV/AIDS counseling, # 4300002719		31,674	31,674	31,674
County of Santa Clara, Parent Child Interaction Training, CTFSAFF07		60,000	41,876	41,876
County of Santa Clara, Restorative Justice, #4300002893		363,538	363,536	363,536
County of Santa Clara, Transitional Housing Placement - Plus Program		504,905	504,905	504,905
County of Santa Clara, Transitional Housing Placement Program, # 0268.07.43		454,222	454,222	454,222
County of Santa Clara, Transitional Housing Placement, Babies Subsidy Program		39,576	39,576	39,576
County of Santa Clara, Transitional Housing For Youth, # 4300002720		12,669	12,669	12,669
County of Santa Clara, Volunteer Case Aid Program, MCABWC06		126,768	113,372	113,372
State of California, passed through County of Santa Clara, Group Home Facility		490,865	490,865	490,865
State of California, Adoption Placement Fees		70,000	70,000	70,000
State of California, Office of Emergency Services, Youth Sexual Exploitation, # HX07061430		180,375	180,375	180,375
State of California, Proud Parenting, CSA 506-07		62,547	62,547	62,547
State of California, Social Services Department, Foster Family		811,454	811,454	811,454
Total state & local government assistance		8,287,590	5,545,658	5,545,658
GRAND TOTALS		\$ 12,611,050	\$ 8,395,528	\$ 8,395,528

16360 Monterey Rd., Suite 170
Morgan Hill, CA 95037
Tel: (408) 779-3313
Fax: (408) 776-1555

4040 Moorpark Ave., Suite 100
San Jose, Ca 95117
Tel: (408) 557-9890
Fax: (408) 557-9893

**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE
AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

To the Board of Directors of
Bill Wilson Center
Santa Clara, California

We have audited the financial statements of Bill Wilson Center (a California non-profit organization) as of and for the year ended June 30, 2008 and have issued our report thereon dated September 16, 2008. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control over Financial Reporting

In planning and performing our audit, we considered Bill Wilson Center's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Bill Wilson Center's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of Bill Wilson Center's internal control over financial reporting. A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the organization's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the organization's financial statements that is more than inconsequential will not be prevented or detected by the organization's internal control. A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the organization's internal control. Our consideration of internal control over financial reporting was for the limited purposed described earlier in this paragraph and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Bill Wilson Center's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of the audit committee, management, others within the organization, pass-through entities, and federal awarding agencies and is not intended and should not be used by anyone other than these specified parties.

Nichols, Rick & Company

Nichols, Rick & Company, CPA's
San Jose, California
September 16, 2008

16360 Monterey Rd., Suite 170
Morgan Hill, CA 95037
Tel: (408) 779-3313
Fax: (408) 776-1555

4040 Moorpark Ave., Suite 100
San Jose, Ca 95117
Tel: (408) 557-9890
Fax: (408) 557-9893

**REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH
MAJOR PROGRAM AND ON INTERNAL CONTROL OVER
COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133**

To the Board of Directors of
Bill Wilson Center
Santa Clara, California

Compliance

We have audited the compliance of Bill Wilson Center (a nonprofit organization) with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major programs for the year ended June 30, 2008. Bill Wilson Center's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulation, contracts, and grants applicable to each of its major federal programs is the responsibility of Bill Wilson Center's management. Our responsibility is to express an opinion Bill Wilson Center's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Bill Wilson Center's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of Bill Wilson Center's compliance with those requirements. In our opinion, Bill Wilson Center complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2008.

Internal Control over Compliance

The management of Bill Wilson Center is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered Bill Wilson Center's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the effectiveness of Bill Wilson Center's internal control over compliance.

A control deficiency in an entity's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a federal program on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control. A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control. Our consideration of internal control over compliance was for the limited purposed described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control over compliance that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

Bill Wilson Center's responses to the findings identified in our audit, if any, are described in the accompanying schedule of findings and questioned costs. We did not audit Bill Wilson Center's responses and, accordingly, we do not express an opinion on them.

This report is intended solely for the information and use of the audit committee, management, others within the organization, pass-through entities, and federal awarding agencies and is not intended and should not be used by anyone other than these specified parties.

Nichols, Rick & Company

Nichols, Rick & Company, CPA's
San Jose, California
September 16, 2008

BILL WILSON CENTER
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2008

A. Summary of Auditor's Results

I. Financial Statements

1. The independent auditor's report on the financial statements of Bill Wilson Center, Inc. expressed an unqualified opinion.
2. No significant deficiencies were disclosed in the audit of the financial statements.

II. Federal Awards

1. Internal Controls over Major Programs:
 - a. No significant deficiencies were disclosed in the audit of Federal awards.
2. The auditor's report on compliance for the major Federal awards programs for Bill Wilson Center, Inc. expressed an unqualified opinion.
3. The schedule of expenditures of Federal awards is reported on the accrual basis of accounting in conformity with generally accepted accounting principles as described in the notes to the financial statements.
4. The dollar threshold used to distinguish between Type A and Type B programs was \$300,000.
5. Bill Wilson Center, Inc. qualified as a low risk auditee under OMB Circular A-133, Section 530.
6. The programs tested as major programs are identified as follows:

CFDA Number

14.235

93.658

Name of Federal Program

Supportive Housing

AFDC (Foster Care, Title IV-E)

B. Findings and Questioned Costs from Prior Audit

None

**BILL WILSON CENTER
SUPPLEMENTARY INFORMATION REQUIRED BY THE
OFFICE OF EMERGENCY SERVICES
JUNE 30, 2008**

1. Summary:

Included in the audited financial statements of Bill Wilson Center for the year ended June 30, 2008, dated September 16, 2008, are the following grants funded in part by the State of California, Office of Emergency Services ("OES"):

<u>Grant Number</u>	<u>Grant Period</u>	<u>Grant Award</u>	<u>Expenditures Claimed</u>
HX-07061430	07/01/07 to 06/30/08	\$180,375	\$180,375
AT-07011430	10/01/07 to 09/30/08	\$207,372	\$141,566

As part of grant AT-07011430, through September 30, 2008, Bill Wilson Center is obligated to provide up to \$51,843 in matching funds or in-kind services. The in-kind requirements are met through the time volunteered by registered interns who were recruited, trained, and supervised by Bill Wilson Center's staff, and additional funding provided by Bill Wilson Center.

An entrance conference was held on May 12, 2008 to inform Bill Wilson Center personnel as to the scope of the single audit. At the completion of the audit on September 16, 2008, an exit conference was held to inform those in attendance of the audit results. In attendance at the exit conference were Ken Koach, Director of Administration; and John S. Rick, Certified Public Accountant.

In the course of the audit of the OES funded expenditures, no costs were encountered that we believed to be of a questionable or disallowable nature per the OES grantee handbook.

2. Background:

OES awarded grants to Bill Wilson Center for the following program areas:

HX-07061430 – Homeless and Exploited Youth I-V Project
AT-07011430 – CHAT Therapy Program

3. Status of Prior Operating Reports:

There were no prior findings related to the OES funded grants and related activities.

4. Administrative Findings:

There are no current administrative findings related to the OES funded grants and related activities.

5. Approved Budget and Cumulative Expenditures (including match expenditures):

	<u>Budget</u>	<u>Expenditures Claimed</u>	<u>Variance</u>
Grant HX-07061430			
<u>07/01/07 - 06/30/08</u>			
Personal services	\$ 163,777	\$ 163,777	\$ 0
Operating expenses	<u>16,598</u>	<u>16,598</u>	<u>0</u>
	<u>\$ 180,375</u>	<u>\$ 180,375</u>	<u>\$ 0</u>

NOTE: Grant number HX-07061430 continued until June 30, 2008. The audit reports, OES supplemental data and testwork include the period from July 2007 through June 2008.

	<u>Budget</u>	<u>Expenditures Claimed</u>	<u>Variance</u>
Grant AT-07011430			
<u>10/01/07 - 09/30/08</u>			
Personal services	\$ 210,508	\$ 132,240	\$ 78,268
Operating expenses	<u>48,707</u>	<u>34,173</u>	<u>14,534</u>
	<u>\$ 259,215</u>	<u>\$ 166,413</u>	<u>\$ 92,802</u>

NOTE: Grant number AT-07011430 continues until September 30, 2008. The audit reports, OES supplemental data and testwork include the period from July 2007 through June 2008.

REPORT OF EXPENDITURES AND REQUEST FOR FUNDS

FORM 201 (REV. 7/06)

MAIL TO: OES ACCOUNTING
3650 SCHRIEVER AVENUE
MATHER CA 95655

(1) RECIPIENT	BILL WILSON CENTER
(1) IMPLEMENTING AGENCY	BILL WILSON CENTER
(2) PROJECT TITLE	HOMELESS AND EXPLOITED YOUTH
(3) ADDRESS	P. O. BOX 210A, SANTA CLARA, CA 95052

(4) GRANT AWARD NUMBER	HX07061430
(5) FEDERAL EMPLOYER IDENTIFICATION NUMBER	94-2221849
(6) BILLING PERIOD	Jun 1, 2008 to Jun 30, 2008
FINAL	<input checked="" type="checkbox"/>

(7) CONTACT PERSON	LORRAINE FLORES
(8) PHONE NUMBER	408-850-6131
(9) E-MAIL ADDRESS	lflores@billwilsoncenter.org
(10) FAX NUMBER	408-246-5752

(11) FEDERAL/STATE ACRONYM:	FEDERAL GRANT	FEDERAL GRANT	FEDERAL GRANT	STATE GRANT	STATE GRANT	(12) TOTAL AMOUNT (This Request)
	Select from List	Select from List	Select from List	07	CSAE	
CATEGORY - REQUEST						
(A) PERSONAL SERVICES (+)						\$5,186
(B) OPERATING EXPENSES (+)						\$1,013
(C) EQUIPMENT (+)						\$0
CATEGORY - MATCH Enter Match as a negative number, i.e. -1000						
(A) PERSONAL SERVICES (-)						\$0
(B) OPERATING EXPENSES (-)						\$0
(C) EQUIPMENT (-)						\$0
ADVANCE - RECOUPED Enter Advance as a negative number, i.e. -1000						
(A) PERSONAL SERVICES (-)						\$0
(B) OPERATING EXPENSES (-)						\$0
(C) EQUIPMENT (-)						\$0
TOTAL TO BE PAID	\$0	\$0	\$0		\$6,199	\$6,199

Under penalty of perjury, I certify I am the duly authorized officer of the claimant herein; this claim is in all respects true, correct, and all expenditures were made in accordance with all applicable laws, rules, regulations including, but not limited to Government Code Sections 1090 - 1096, and grant conditions; and, this claim is for all approved costs incurred within the Grant Performance Period and/or an advance of funds as provided for in the applicable year Budget Act authority.

(13) TYPED NAME	SIGNATURE	DATE
PROJECT DIRECTOR Lorraine Flores	<i>Lorraine Flores</i>	Jul 18, 2008
FINANCIAL OFFICER Kenneth H. Koach	<i>Kenneth H. Koach</i>	Jul 18, 2008

REPORT OF EXPENDITURES AND REQUEST FOR FUNDS

GOVERNOR'S OFFICE OF EMERGENCY SERVICES

FORM 201 (REV. 7/06)

MAIL TO: OES ACCOUNTING
3650 SCHRIEVER AVENUE
MATHER CA 95655

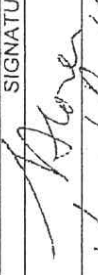
(1) RECIPIENT	BILL WILSON CENTER
(1) IMPLEMENTING AGENCY	BILL WILSON CENTER
(2) PROJECT TITLE	CHILD ABUSE TREATMENT PROGRAM
(3) ADDRESS	P. O. BOX 210A, SANTA CLARA, CA 95052

(4) GRANT AWARD NUMBER	AT07011430
(5) FEDERAL EMPLOYER IDENTIFICATION NUMBER	94-2221849
(6) BILLING PERIOD	Jun 1, 2008 to Jun 30, 2008
FINAL	<input type="checkbox"/>

(7) CONTACT PERSON	LORRAINE FLORES
(8) PHONE NUMBER	408-850-6131
(9) E-MAIL ADDRESS	lflores@billwilsoncenter.org
(10) FAX NUMBER	408-246-5752

	FEDERAL GRANT 06	FEDERAL GRANT 07	FEDERAL GRANT	STATE GRANT	STATE GRANT Year	(12) TOTAL AMOUNT (This Request)
(11) FEDERAL/STATE ACRONYM:	VOCA	VOCA	Select from List	Select From List	Select From List	
CATEGORY - REQUEST						
(A) PERSONAL SERVICES (+)	13,635	1,882				\$15,517
(B) OPERATING EXPENSES (+)	7,417	360				\$7,777
(C) EQUIPMENT (+)					0	\$0
CATEGORY - MATCH						
Enter Match as a negative number, i.e. -1000						
(A) PERSONAL SERVICES (-)	-1,629	-492				-\$2,121
(B) OPERATING EXPENSES (-)	-1,362	-72				-\$1,434
(C) EQUIPMENT (-)						\$0
ADVANCE - RECOUPED						
Enter Advance as a negative number, i.e. -1000						
(A) PERSONAL SERVICES (-)						\$0
(B) OPERATING EXPENSES (-)						\$0
(C) EQUIPMENT (-)						\$0
TOTAL TO BE PAID	\$18,061	\$1,678	\$0	\$0	\$0	\$19,739

Under penalty of perjury, I certify I am the duly authorized officer of the claimant herein; this claim is in all respects true, correct, and all expenditures were made in accordance with all applicable laws, rules, regulations including, but not limited to Government Code Sections 1090 - 1096, and grant conditions; and, this claim is for all approved costs incurred within the Grant Performance Period and/or an advance of funds as provided for in the applicable year Budget Act authority.

(13) PROJECT DIRECTOR	TYPED NAME	SIGNATURE	DATE
	Lorraine Flores		Jul 18, 2008
FINANCIAL OFFICER	Kenneth H. Koach		Jul 18, 2008

GROUP HOME PROGRAM COSTS REPORT (SR 3)

This form is to collect cost information for the group home program. Report actual allowable and reasonable costs. If the corporation operates more than one group home program and/or the program provides other services (example: day care, on-site education, adult services, foster family agency, etc.) costs must be allocated to the appropriate activity and only the allowable group home program costs for the program are to be reported. Describe the methodology used to allocate costs if other than the standard allocation methodology indicated in current regulations (MPP Section 11-402.8 et seq.) NOTE: A separate cost report form must be completed for each group home program operated by the corporation.

Number of months in cost reporting period 12

CORPORATE NAME:		PROGRAM NAME (IF DIFFERENT)		CORPORATE NUMBER	PROGRAM NUMBER	PROVIDER FISCAL YEAR (MO/YR - MO/YR)	
BILL WILSON CENTER		N/A		D0711524	0268.00.01	07/07 - 06/08	
		A	B	C	D	E	F
		TOTAL PROGRAM COSTS	OFFSETS	REASONABLENESS ADJUSTMENTS	FINAL COSTS (COL. A MINUS COLS. B & C)	PERCENTAGE OF TOTAL COSTS	CDSS USE ONLY
COST GROUPS							
1	Child Care & Supervision	\$819,734	\$428,689		\$391,045	41.5%	
2	Social Work Activities	\$404,732	\$270,568		\$134,164	14.2%	
3	Food	\$106,249	\$72,526		\$33,723	3.6%	
4a	Shelter Costs - Building Rent & Leases	\$14,732	\$0		\$14,732	1.6%	
4b	Shelter Costs - Approved by Attorney General Self-Dealing Transactions Affiliated Leases	\$0	\$0		\$0	0.0%	
4c	Shelter Costs - Acquisition Mortgage: Principal & Interest	\$32,008	\$3,910		\$28,098	3.0%	
5	Building & Equipment	\$81,306	\$22,925		\$58,381	6.2%	
6	Utilities	\$44,612	\$31,425		\$13,187	1.4%	
7	Vehicles & Travel	\$26,364	\$9,217		\$17,147	1.8%	
8	Child-Related	\$41,830	\$18,570		\$23,260	2.5%	
9a	Executive Director Salary	\$46,175	\$18,108		\$28,067	3.0%	
9b	Assistance Director Salary	\$27,859	\$19,459		\$8,400	0.9%	
9c	Administrator Salary	\$30,206	\$22,168		\$8,038	0.9%	
9d	All Other Admin. Salaries	\$230,471	\$101,488		\$128,983	13.7%	
9e	Financial Audit Costs	\$3,662	\$2,430		\$1,232	0.1%	
9f	Administration (Minus Admin. Salaries and Financial Audit Costs)	\$89,601	\$35,945		\$53,656	5.7%	
	TOTAL	\$1,999,541	\$1,057,428	\$0	\$942,113	100.0%	

CDSS USE ONLY

KDE DATE

GROUP HOME PROGRAM**PAYROLL & FRINGE BENEFIT REPORT (SR 4)**Number of months in cost reporting period: 12

CORPORATE/LICENSEE NAME:	CORPORATE NUMBER:	PROGRAM NUMBER	PROVIDER FISCAL YR (MO/YR - MO/YR)
BILL WILSON CENTER	D0711524	0268 00 01	07/07 06/08

	(1) Child Care & Supervision	(2) Social Work Activities	(3) CDSS USE ONLY
I. PAYROLL (DO NOT INCLUDE BENEFITS)	\$681,159	\$339,818	
II. FRINGE BENEFIT EXPENSE			
1. FICA Employer Tax (include MEDICARE)	\$52,109	\$24,410	
2. Unemployment Coverage (State & Federal)	\$6,607	\$3,095	
3. Workers' Compensation Insurance	\$9,836	\$4,608	
4. Medical Insurance Expense	\$66,481	\$31,142	
5. Retirement	\$0	\$0	
6. Other (Specify on back of form)	\$3,542	\$1,659	
TOTAL FRINGE BENEFITS (Add Lines 1 through 6)	\$138,575	\$64,914	
III. TOTAL PAYROLL & FRINGE BENEFITS	\$819,734	\$404,732	
IV. CONTRACTOR COSTS			
V. TOTAL (Add Line III and Line IV) Transfer to Column A, Lines 1 and 2, Cost Report (SR 3)	\$819,734	\$404,732	

CDSS USE ONLY

TOTAL PROGRAM COST DISPLAY (FCR 12FFA)
SUBMIT ONE FOR EACH PROGRAM

Number of months in cost reporting period 10.6

CORPORATE/LICENSEE NAME		PROGRAM NAME (IF DIFFERENT)		CORPORATE NUMBER		PROGRAM NUMBER		AGENCY FISCAL YEAR (MM/YY - MM/YY)		
Bill Wilson Center Foster Family Agency				D0711524				08/2007 - 06/2008		
LINE	(1)	LINE ITEMS OF COST			(2) TOTAL (SUM OF COLS. 3 THRU 6)	(3)	(4)	(5)	(6)	(7)
						ADMINISTRATION	RECRUITMENT	TRAINING	SOCIAL WORK	EXPLANATION
100a		Executive Director Salary			9,651	9,651				Allocation
100b		Assistant Director Salary			5,823	5,823				Allocation
100c		Administrator Salary			6,314	6,314				Allocation
100d		All Other Administrative Salaries			48,173	48,173				Allocation
101		Recruitment Payroll			56,082		56,082			Allocation
102		Training Payroll			14,579			14,579		Allocation
110		Administrative Contracts			2,855	2,060	631	164		Allocation
121		Telephone			5,884	0	1,299	338	4,247	Allocation
122		Postage and Freight			979	0	216	56	707	Allocation
123		Office Supplies			1,472	0	325	85	1,062	Allocation
132		Conferences, Meetings, In-Service Training			259	0	57	15	187	Allocation
133		Memberships, Subscriptions, Dues			1,885	0	0	0	1,885	Direct
134		Printing, Publications			799	0	176	46	577	Allocation
135		Bonding, General Insurance			7,003	0	1,546	402	5,055	Allocation
137		Advertising			5,803	0	5,803	0	0	Direct
138		Miscellaneous			5,683	0	1,255	326	4,102	Allocation
					173,244	72,021	67,390	16,011	17,822	
200		Building and Equipment Payroll			0					
211		Building Rents and Leases			35,498	0	7,839	2,038	25,621	Allocation
214		Acquisition Mortgage Principal & Interest			0					
215		Property Appraisal Fees			0					
216		Property Taxes			169	0	37	10	122	Allocation

TOTAL PROGRAM COST DISPLAY (FCR 12FFA)
SUBMIT ONE FOR EACH PROGRAM - CONTINUED
 Number of months in cost reporting period 10.6

CORPORATE/LICENSEE NAME Bill Wilson Center Foster Family Agency		CORPORATE NUMBER (IF DIFFERENT)		CORPORATE NUMBER D0711524		PROGRAM NUMBER		AGENCY FISCAL YEAR (MO/ YR - MO/ YR) 08/2007 - 06/2008	
LINE	(1) LINE ITEMS OF COST	(2) TOTAL (SUM OF COLS. 3 THRU 6)	(3) ADMINISTRATION	(4) RECRUITMENT	(5) TRAINING	(6) SOCIAL WORK	(7) EXPLANATION		
217	Building and Equipment Insurance	372	0	82	21	269	Allocation		
221	Utilities	0							
222	Building Maintenance	0							
223	Building and Equipment Contracts	0							
224	Building and Equipment Supplies	23	0	5	1	17	Allocation		
225	Equipment Leases	0							
226	Equipment Depreciation Expense	8,705	0	1,922	500	6,283	Allocation		
227	Expendable Equipment	491	0	109	28	354	Allocation		
228	Building and Equipment Miscellaneous	0	0						
241	Vehicle Leases	0							
242	Vehicle Depreciation	309	0	68	18	223	Allocation		
243	Vehicle Operating Costs	5,809	0	1,283	333	4,193	Allocation		
		51,376	0	11,345	2,949	37,082			
350	Total Paid to Certified Family Homes	352,978							
352	Other Child-Related Costs, Not Provided by Certified Family Homes	5,589							
		358,567							
410	Social Worker Payroll and/or Social Worker Contract	183,295				183,295	Direct		
440	Direct Care Contracts	0							
		183,295				183,295			
500	TOTAL EXPENSES	766,482	72,021	78,735	18,960	238,199			

TOTAL PROGRAM COST DISPLAY (FCR 12FFA)**SUBMIT ONE FOR EACH PROGRAM**Number of months in cost reporting period 10.6

CORPORATE/LICENSEE NAME		PROGRAM NAME (IF DIFFERENT)	CORPORATE NUMBER		PROGRAM NUMBER		AGENCY FISCAL YEAR	
Bill Wilson Center ITFCS			D0711524				08/2007 - 06/2008	
LINE	(1)	LINE ITEMS OF COST	(2) TOTAL (SUM OF COLS. 3 THRU 6)	(3) ADMINISTRATION	(4) RECRUITMENT	(5) TRAINING	(6) SOCIAL WORK	(7) EXPLANATION
100a		Executive Director Salary	7,789	7,789				Allocation
100b		Assistant Director Salary	4,700	4,700				Allocation
100c		Administrator Salary	5,096	5,096				Allocation
100d		All Other Administrative Salaries	38,879	38,879				Allocation
101		Recruitment Payroll	31,841		31,841			Allocation
102		Training Payroll	19,107			19,107		Allocation
110		Administrative Contracts	4,004	2,991	633	380		Allocation
121		Telephone	5,140	0	813	488	3,839	Allocation
122		Postage and Freight	522	0	83	49	390	Allocation
123		Office Supplies	1,187	0	188	113	886	Allocation
132		Conferences, Meetings, In-Service Training	18	0	3	2	13	Allocation
133		Memberships, Subscriptions, Dues	669	0	0	0	669	Direct
134		Printing, Publications	618	0	98	59	461	Allocation
135		Bonding, General Insurance	4,375	0	692	415	3,268	Allocation
137		Advertising	5,003	0	5,003	0	0	Direct
138		Miscellaneous	1,873	0	296	178	1,399	Allocation
			130,821	59,455	39,650	20,791	10,925	
200		Building and Equipment Payroll	0					
211		Building Rents and Leases	27,929	0	4,416	2,650	20,863	Allocation
214		Acquisition Mortgage Principal & Interest	0					
215		Property Appraisal Fees	0					
216		Property Taxes	0	0	0	0	0	

TOTAL PROGRAM COST DISPLAY (FCR 12FFA)
SUBMIT ONE FOR EACH PROGRAM - CONTINUED
 Number of months in cost reporting period 10.6

CORPORATE/LICENSEE NAME		CORPORATE NUMBER (IF DIFFERENT)		CORPORATE NUMBER		AGENCY FISCAL YEAR (MO/YR - MO/YR)	
Bill Wilson Center ITFCS				D0711524		08/2007 - 06/2008	
LINE	(1) LINE ITEMS OF COST	(2) TOTAL (SUM OF COLS. 3 THRU 6)	(3) ADMINISTRATION	(4) RECRUITMENT	(5) TRAINING	(6) SOCIAL WORK	(7) EXPLANATION
217	Building and Equipment Insurance	267	0	42	25	200	Allocation
221	Utilities	0					
222	Building Maintenance	0					
223	Building and Equipment Contracts	0					
224	Building and Equipment Supplies	16	0	2	2	12	Allocation
225	Equipment Leases	0					
226	Equipment Depreciation Expense	2,902	0	459	275	2,168	Allocation
227	Expendable Equipment	64		10	6	48	
228	Building and Equipment Miscellaneous	0	0	0	0	0	
241	Vehicle Leases	0					
242	Vehicle Depreciation	1,554	0	246	147	1,161	Allocation
243	Vehicle Operating Costs	13,472	0	2,130	1,278	10,064	Allocation
		46,204	0	7,305	4,383	34,516	
350	Total Paid to Certified Family Homes	163,390					
352	Other Child-Related Costs, Not Provided by Certified Family Homes	5,082					
		168,472					
410	Social Worker Payroll and/or Social Worker Contract	150,435				150,435	Direct
440	Direct Care Contracts	9,495				9,495	
		159,930				159,930	
500	TOTAL EXPENSES	505,427	59,455	46,955	25,174	205,371	